

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 1684 – HB 1693

February 11, 2014

SUMMARY OF ORIGINAL BILL: Authorizes public charter schools to contract with for-profit entities for the management and operation of the schools.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (012348): Deletes all language of the original bill. Authorizes public charter schools to contract with for-profit entities for the management and operation of the schools. Places an annual, statewide cap on the number of public charter schools that may be approved where the school shall be managed or operated by a for-profit entity. Requires LEAs to notify the State Board of Education of their intent to approve such applications. The SBE shall notify the approving LEA whether the statewide annual cap has been reached. If the cap has been reached, the public charter school application may be withdrawn or resubmitted to the LEA with a different management and operations proposal. The limitation on such arrangements shall begin in the 2015-2016 academic year and continue through the 2019-2020 academic year.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- No change in the number of public charter schools.
- No change in the amount of state and local BEP funding for public charter schools.
- Notifications may be made electronically. Any increase in state and local government expenditures to make additional notifications is estimated to be not significant.

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- Any increase in expenditures for new contracts with for-profit entities to manage or operate a public charter school will be borne by the governing body of the school.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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